



**MEETING MINUTES**  
**CITY OF HUNTINGTON BEACH**  
**FINANCE BOARD**  
**WEDNESDAY, NOVEMBER 8, 2006 AT 6:00PM**  
**CIVIC CENTER, LOWER LEVEL, ROOM B-8**

- 1) **CALL TO ORDER:** At 6:05 PM, Chair Falzon called the meeting to order.  
Chair Falzon, Vice Chair Geddes, Members: Chapman, Domingo, Jones  
Absent: Member Lograsso  
Present: Dan Villella, Finance Director, Carrie Gonzales, Administrative Secretary, Penny Culbreth-Graft, City Administrator, Terri King and Steve Holtz, Economic Development Department  
Citizens Present: Gary Puissegur, Roland Orfila, Tom Livengood, George Mason, Dick Harlow

- 2) **PUBLIC COMMENTS:**  
Tom Livengood shared his experience with using the Neighborhood Improvement process to get a tree removed from his property. He stated no contractor will do this project in the City because of the City's requirements, the cost would be approximately \$1,800 and he suggested the Public Works Department be eliminated from the process. He stated he received a letter from the City which asked the homeowner to also replace the curb and gutter, in addition to sidewalks damaged by trees. He said this process was a financial nightmare.

George Mason stated there are too many departments involved in this project. He also mentioned there was a current list of approximately 100 streets which need to have trees removed and this would take approximately 20 years to complete with the current funding.

- 3) **APPROVAL OF MEETING MINUTES:**  
October 11, 2006 – Member Chapman made a motion to approve the minutes as corrected, seconded by Member Domingo. (4-0-1, Member Jones abstained)

- 4) **STAFF REPORTS/BUSINESS ITEMS:**  
a) **Neighborhood Improvement District Staff Report**

Terri King and Steve Holtz from Economic Development were present. Terri gave an update on the program since last attending the August 9, 2006 meeting. Information about the program has been placed on the City's website located under the Public Works and Economic Development departments. Flyers have been placed on the Public Works, Economic Development and Planning departments counters and on the information table outside of the Council Chambers. Laurie Payne, Customer Relations Officer, will be placing information in the Community Connection and Sands publications. Information could not be placed on HB-TV3 because of the limited space of 24 characters on the screen. Steve Holtz mentioned he spoke to a consultant and he indicated State Law requires when a City waive fees, that would trigger State prevailing wage requirements. Economic Development will forward a question to the City Attorney's Office to review and determine whether or not our program would trigger that requirement on projects that we are waiving fees.

Chair Falzon suggested Economic Development should come up with a streamlined process.

Vice Chair Geddes stated the original project that inspired this program was the alleys. Trees have been a problem for years and he feels they should be excluded from the program.

Member Domingo stated the intent of the project was to save money for the City by allowing homeowners, in a simplified process, to absorb the fees to get the work done. The City should make it easy to do this.

Penny Culbreth-Graft suggested the Board invite a Public Works representative to a future meeting to discuss the tree problem. The Board instructed Dan Villella to invite the a Public Works representative to a future meeting.



**MEETING MINUTES**  
**CITY OF HUNTINGTON BEACH**  
**FINANCE BOARD**  
**WEDNESDAY, NOVEMBER 8, 2006 AT 6:00PM**  
**CIVIC CENTER, LOWER LEVEL, ROOM B-8**

**b) Long Range Financial Plan**

Penny Culbreth-Graft spoke on the Council Action to approve the Strategic Plan on August 29, 2006. The Council approved the goals and not the specific items. She mentioned Staff is working on the five year goals; this should be completed by the end of December 2006 or January 2007. She spoke on the Council's vision statement for the Strategic Plan "An engaged (Citizen participation/PR), sustainable (green environment), family-friendly community that is safe, vibrant and attractive to tourists, residents and business alike". The City needs to have a more strategic approach to 5 years vs. 20 years. How do we grow TOT, Sales Tax Base, and Property Tax? Penny suggested to the Board to create a Request for Qualifications to create a plan and help with creating a vision:

- Step by step process on the full identification of the issues
- Here is our budgeted amount (\$25,000)
- It should be 20 – 30 pages
- Create an action plan
- Summary of the City's financial plan
- Specific recommendations for achieving financial goals

Penny stated we have had support from the Council throughout the process.

Vice Chair Geddes stated we should not settle on just infrastructure. We need to look at things like tourist destination. Take advantage of opportunities such as small conventions.

Member Chapman expressed that the City should not go down the same path as 10 years ago regarding infrastructure. Council needs to agree right at the start.

The Board agreed to proceed with the RFQ process.

**c) Equipment/Vehicle Replacement Administrative Regulation**

Penny Culbreth-Graft explained how the FY 2006/07 budget will set aside money to plan for equipment/vehicle replacement. Finance will create an administrative regulation for equipment/vehicle replacement and the Board will have a chance to review it.

Vice Chair Geddes asked Penny if the regulation will allow the City to be able to take advantage of good deals as they come along. Do we have flexibility? Will it be part of the budget or the 2<sup>nd</sup> tier reserve money? Penny stated it will depend on the dollar amount of the item. The mid-year budget will provide for special circumstances if funds are not available. A policy will not help if these funds are just not there.

Vice Chair Geddes asked Penny if large dollar purchases would come out of the 2<sup>nd</sup> tier reserve. Penny stated it would try to fund out of the departments budgets. Vice Chair Geddes asked if the policy would allow the City Administrator to have authority for purchases and should she have authority and would there be flexibility. Penny stated these questions need to be put into the policy. She said there may be possible grant money to help in the large dollar purchases.



**MEETING MINUTES**  
**CITY OF HUNTINGTON BEACH**  
**FINANCE BOARD**  
**WEDNESDAY, NOVEMBER 8, 2006 AT 6:00PM**  
**CIVIC CENTER, LOWER LEVEL, ROOM B-8**

**d) FY 2006/07 Proposed Budget**

Bob Beardsley from the Public Works Department will be attending the December 13, 2006 meeting to discuss the Capital Improvement Program's budgeted amounts vs. actual dollars spent for FY00-01 through FY05/06.

**e) eCivis Usage**

Continue discussion on the City's usage level of the eCivis software.

**f) Finance Board Annual Report**

Chair Falzon discussed the sections of the annual report with the Board members. He asked each member to send him their completed section of the report so he can review the information by the November 8, 2006 meeting. Member Lograsso will report on Refuse, Member Domingo will report on eCivis, Member Jones will report on the Neighborhood Improvement District and Vice Chair Geddes will report on Boards Roles & Responsibilities.

**g) November 7, 2006 Election Results**

Joe Carchio is the new City Council Member. Chair Falzon will communicate with the new Council Member Carchio on his Board appointee.

**5) Open Item List**

A review of Action Items continued from prior Finance Board meetings, changes were made to the current open list item number 2006-010.

**6) COMMENTS FROM BOARD MEMBERS**

Member Domingo gave verbal notice he will not be continuing to serve on the board as of January 2007.

**ADJOURNMENT**

Member Domingo made a motion at 9:30 pm to adjourn the meeting to Wednesday, December 13, 2006, seconded by Vice Chair Geddes. The motion was approved 5-0.

**Respectfully submitted by:**

**Dan T. Villella, Finance Director**  
**Secretary to the Finance Board**